

## INTERIM IRM PROCEDURAL UPDATE

**DATE:** 01/06/2010

**NUMBER:** WI-21-0110-0039

**SUBJECT:** Return Preparation/e-file Procedures Updates for Filing Season 2010

**AFFECTED IRM(s)/SUBSECTION(s):** 21.3.4.10

**CHANGE(s):**

Updated IRM 21.3.4.10, Return Preparation Assistance, procedures for Filing Season 2010

**IRM 21.3.4.10(6):**

Authorized tax preparation software is used to prepare all current and prior year individual tax returns. This includes the Form 1040X, *Amended U.S. Individual Income Tax Return*. Only current year individual income tax returns are filed electronically, using the electronic signature method (Practitioner PIN).

**IRM 21.3.4.10.1.3(1):**

Field Assistance EITC pre-certification claimant procedures will not be applicable for Tax Year 2009.

**IRM 21.3.4.10.1.4(6):**

The TAC employee must take reasonable steps to inform the taxpayer of the rejection within 24 hours of the acknowledgment date. Reasonable steps may include leaving a voice message or using the nationally approved reject letter. The *e-file* reject letter will be preloaded in the desktop version of the return preparation software. Only the *e-file* reject letter generated through the return preparation software will be used. One nationally approved reject letter was created to use during filing season and non-filing season. (See Exhibit 21.3.4-9 *Electronic Filing Reject Letter*). The federal reject letter may be used to advise the taxpayer of a state reject, by completing the "Other" section of the Form 4525, *Reject Letter*.

**IRM 21.3.4.10.1.5(6) and (7):**

The *e-file* coordinator will back-up to disk all current year taxpayer return data from the *e-file* transmitting machine by October 20th of each year. The return data should be retained for three years from the due date or IRS received date, whichever is later. See storage guidelines per IRM 10.8.1.4.2.2.

All taxpayer return data (current and prior year) must be deleted from the computer after December 31st but before January 10th of each year. See destruction guidelines per IRM 10.2.13.3.2.5.

**IRM 21.3.4.10.2(1) bullets 1, 5 and 6:**

- Individual income tax returns with total income of \$49,000 or less.
- Form 1040A and Schedule EIC
- Form 1040 with Schedules A, B (Interest and Ordinary Dividends; ordinary and qualified), C-EZ, EIC, L, M, R, SE (in conjunction with C-EZ only), Schedule D (Limited in scope for Cancellation of Debt only)

**IRM 21.3.4.10.3(3):**

Taxpayers are referred to a VITA site if the combined income on the return is at or below the threshold for EITC. For tax year 2009, VITA will provide assistance if the income is \$49,000 or less. VITA volunteers can prepare Form 1040EZ, 1040A with Schedule EIC, 1040 with Schedule A, B, C-EZ, EIC, L, M, R, SE (in conjunction with C-EZ only), 1040V, 1040ES, Form 982 (Mortgage debt forgiveness only) and Form 2441, 8812, 8839, 8863, and 8880 only.

**IRM 21.3.4.10.10.5(1):**

The employee should obtain from the taxpayer any expenses for Schedule A, B (Interest and Ordinary Dividends; ordinary and qualified), C-EZ, L, M, R, SE, Form 2441, Form 3903, Form 4684, Form 5329, Form 5695, Form 8606, Form 8812, Form 8815, Form 8839, Form 8853, Form 8863, Form 8880, Form 8885, Form 8889, Form 8917, and Social Security.

**IRM 21.3.4.10.10.6(1) and (3):**

Start federal return preparation in the *e-file* software with the Interview Sheet (when the Interactive Interview and Help Me tabs are not available).

Use applicable worksheets Interactive Tax Law Assistance (ITLA).